OP-EDS

THE RACE IS ON: UBER VERSUS THE REAL SHARING ECONOMY

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A new kind of ride has arrived just in time.

Early in February, hundreds of Uber drivers converged on the company's office in Long Island City, Queens to object to sweeping fare reductions. Drivers must charge 15 percent less — while still paying Uber the same percentage, plus the ongoing vehicular expenses. All with no tips allowed.

Uber justifies the fare cuts as a response to a slow season, and asserts that drivers make up the difference from shortened waiting times between gigs. It remains unclear why there should be a better view of such conditions from the boardroom than from the street.

For that matter, why can't such a service be street level through and through? Mere weeks after the Uber strike, Christopher David is launching the Arcade City platform, which he describes to CoinTelegraph as "a decentralized Uber" whose earnings "won't go to line the pockets of investors or sustain a corporate hierarchy" but "will be reinvested in our drivers, and in improving the customer experience. … Arcade City will decentralize [fare pricing] decisions to the level of the driver and their customers."

Worker ownership models don't depend on unproven technology. Creator-owned comics publishers have been viable since the brick-and-mortar early 1990s. An era of apps and Internet ubiquity enables similar enterprises in a variety of fields that will only increase.

So why is the ridesharing field dominated by a handful of big for-profit companies like Uber and Lyft?

Maybe it's because, for all their clashes with the existing municipal regulatory infrastructure, they're not all that different from it. As David notes, "Uber's approach is to push governments to regulate ridesharing in a manner favorable to their particular business model, stacking the deck against smaller competitors."

Thus, while the number of traditional cab drivers is strictly limited, the Uber model merely shifts such restrictions to more subtle forms. If repealing such regulations altogether seems too drastic — the medallion system was seen as a way to prevent a race to the bottom in fares — the ones that most directly suppress worker organizing and wages would be a good start. And with drivers taking advantage of local knowledge of demand of what riders are willing to pay, it might be the intermediaries who see their earnings race to the bottom.

Only time will tell if Arcade City will succeed. But the smart money's on something more like it than Uber — if given the chance.

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PUBLICATION/CITATION HISTORY

- "The Race is On: Uber versus the Real Sharing Economy," by Joel Schlosberg, Ventura County, California *Citizens Journal*, 02/11/16
- "Uber vs. the real sharing economy," by Joel Schlosberg, Des Moines, Iowa *Register* [print edition only, per email from opinion editor Lynn Hicks], 02/12/16
- "The Race is On: Uber versus the Real Sharing Economy," by Joel Schlosberg, OpEdNews, 02/13/16
- "La carrera ha comenzado: Uber vs los Trabajadores Organizados," by Joel Schlosberg, *La Tribuna Hispana USA*, 02/18/16
- "The race is on: Uber versus the real sharing economy," by Joel Schlosberg, Kingston, Jamaica *Observer*, 04/01/16

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